

WASHINGTON, D.C. - Students at Arizona's universities will save thousands of dollars in interest payments of federal college loans under a plan co-sponsored by U.S. Rep. Harry E. Mitchell, according to the U.S. Public Interest Research Group.

According to U.S. PIRG, under the College Student Relief Act of 2007, Arizona ranks third in the nation in projected savings, and Arizonans who start college in 2011 would save \$4,730 over the life of their student loans. [Source: U.S. Public Interest Research Group, Jan. 5, 2007]

"Cutting interest rates for student loans is the right thing to do and meets two important goals," said Mitchell. "It helps families pay for college as the cost of tuition continues to rise and it works to ensure that we will have a steady stream of well-trained college graduates to grow Arizona's economy for years to come."

The legislation, which is scheduled for a Wednesday vote, would cut interest rates on need-based federal loans for undergraduate students from 6.8 percent to 3.4 percent over the next five years. The bill does not add any additional spending to the federal budget.

There were more than 33,000 subsidized student loan borrowers at 4-year Arizona institutions during the 2004-2005 academic year. [Source: U.S. Public Interest Research Group, Jan. 5, 2007]